

AN INTERIM REPORT
ON THE
CIVIL ADMINISTRATION
OF
PALESTINE,
during the period
1st JULY, 1920—30th JUNE, 1921.

Presented to Parliament by Command of His Majesty
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AN INTERIM REPORT

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CIVIL ADMINISTRATION

OF

PALESTINE.

I.—THE CONDITION OF PALESTINE AFTER THE WAR.

When General Allenby's army swept over Palestine, in a campaign as brilliant and decisive as any recorded in history, it occupied a country exhausted by war. The population had been depleted; the people of the towns were in severe distress; much cultivated land was left untilled; the stocks of cattle and horses had fallen to a low ebb; the woodlands, always scanty, had almost disappeared; orange groves had been ruined by lack of irrigation; commerce had long been at a standstill. A Military Administration was established to govern the country. For nearly two years it laboured, with great devotion, at its restoration. An administrative system, as efficient as the conditions allowed, was set up. The revenue authorised by the Turkish law was collected, and was spent on the needs of the country. A considerable sum, advanced by the Anglo-Egyptian Bank, was lent by the Government in small amounts to the agriculturists, and enabled them to purchase stock and seed, and partly to restore their cultivation. Philanthropic agencies in other countries came to the relief of the most necessitous. Commerce began to revive. It was encouraged by the new railway connection with Egypt, established during the campaign for purposes of military transport. It was assisted also by the construction, with the same object, of a net-work of good roads. The country showed all the signs of gradually returning life.

But the prospects of Palestine are not limited, on the economic side, merely to a return to the standard attained before the war. It has the possibilities of a far more prosperous future. Small in area—comparable in size to Belgium or Wales—its geographical position rendered it in ancient times, and may render it again, a centre of no small importance to the commercial traffic of the larger territories that surround it. Within the limits of a province, it offers the varieties of soil and climate of a continent. It is a country of mountain and plain, of desert and pleasant valleys, of lake and sea-board, of barren hills, desolate to the last degree of desolation, and of broad stretches of deep, fruitful soil. The rainfall of Jerusalem equals that of London. The water problem, over most of the country, is not a question of quantity, but of storage, of pumping and of distribution.

It is obvious to every passing traveller, and well-known to every European resident, that the country was before the War, and is now, undeveloped and under-populated. The methods of agriculture are, for the most part, primitive; the area of land now cultivated could yield a far greater product. There are in addition large cultivable areas that are left untilled. The summits and slopes of the hills are admirably suited to the growth of trees, but there are no forests. Miles of sand dunes that could be redeemed, are untouched, a danger, by their encroachment, to the neighbouring tillage. The Jordan and the Yarmuk offer an abundance of water-power; but it is unused. Some industries—fishing and the culture and manufacture of tobacco are examples—have been killed by Turkish laws; none have been encouraged; the markets of Palestine and of the neighbouring countries are supplied almost wholly from Europe. The sea-borne commerce, such as it is, is loaded and discharged in the open roadsteads of Jaffa and Haifa: there are no harbours. The religious and historical associations that offer most powerful attractions to the whole of the Western, and to a large part of the Eastern world, have hitherto brought to Palestine but a fraction of the pilgrims and travellers, who, under better conditions, would flock to her sacred shrines and famous sites.

The country is under-populated because of this lack of development. There are now in the whole of Palestine hardly 700,000 people, a population much less than that of the province of Gallilee alone in the time of Christ.* Of these 235,000 live in the larger towns, 465,000 in the smaller towns and villages. Four-fifths of the whole population are Moslems. A small proportion of these are Bedouin Arabs; the remainder, although they speak Arabic and are termed Arabs, are largely of mixed race. Some 77,000 of the population are Christians, in large majority belonging to the Orthodox Church, and speaking Arabic. The minority are members of the Latin or of the Uniate Greek Catholic Church, or—a small number—are Protestants.

The Jewish element of the population numbers 76,000. Almost all have entered Palestine during the last 40 years. Prior to 1850 there were in the country only a handful of Jews. In the following 30 years a few hundreds came to Palestine. Most of them were animated by religious motives; they came to pray and to die in the Holy Land, and to be buried in its soil. After the persecutions in Russia forty years ago, the movement of the Jews to Palestine assumed larger proportions. Jewish agricultural colonies were founded. They developed the culture of oranges and gave importance to the Jaffa orange trade. They cultivated the vine, and manufactured and exported wine. They drained swamps. They planted eucalyptus trees. They practised, with modern methods, all the processes of agriculture. There are at the present time 64 of these settlements, large and small, with a population of some 15,000. Every traveller in

* See Sir George Adam Smith "Historical Geography of the Holy Land" Chap., 20.

Palestine who visits them is impressed by the contrast between these pleasant villages, with the beautiful stretches of prosperous cultivation about them and the primitive conditions of life and work by which they are surrounded.

The success of these agricultural colonies attracted the eager interest of the masses of the Jewish people scattered throughout the world. In many countries they were living under the pressure of laws or customs which cramped their capacities and thwarted their energies; they saw in Palestine the prospect of a home in which they might live at ease. Profoundly discontented, as numbers of them were, with a life of petty trade in crowded cities, they listened with ready ears to the call of a healthier and finer life as producers on the land. Some among them, agriculturists already, saw in Palestine the prospect of a soil not less fertile, and an environment far more free, than those to which they were accustomed. Everywhere great numbers of Jews, whose religion causes them to live, spiritually, largely in the past, began to take an active interest in those passages of their ritual, that dwelt, with constant emphasis, upon the connection of their race with Palestine; passages which they had hitherto read day by day and week by week, with the lax attention that is given to contingency that is possible but remote. Among a great proportion, at least, of the fourteen millions of Jews, who are dispersed in all the countries of the globe, the Zionist idea took hold. They found in it that larger and higher interest, outside and beyond the cares and concerns of daily life, which every man, who is not wholly materialist, must seek somewhere.

Societies were formed which purchased areas of land in Palestine for further Jewish colonization. The Hebrew language, which, except for purposes of ritual, had been dead for many centuries, was revived as a vernacular. A new vocabulary, to meet the needs of modern life, was welded into it. Hebrew is now the language spoken by almost all the younger generation of the Jews of Palestine and by a large proportion of their elders. The Jewish newspapers are published in it. It is the language of instruction in the schools and colleges, the language used for sermons in the synagogues, for political speeches and for scientific lectures.

Large sums of money were collected in Europe and America, and spent in Palestine, for forwarding the movement. Many looked forward to a steady process of Jewish immigration, of Jewish land colonization and industrial development, until at last the Jews throughout the world would be able to see one country in which their race had a political and a spiritual home, in which, perhaps, the Jewish genius might repeat the services it had rendered to mankind from the same soil long ago.

The British Government was impressed by the reality, the strength and the idealism of this movement. It recognised its value in ensuring the future development of Palestine, which

now appears likely to come within the British sphere of influence. It decided to give to the Zionist idea, within certain limits, its approval and support. By the hand of Mr. Balfour, then Foreign Secretary, it made, in November, 1917, the following Declaration :

“ His Majesty's Government view with favour the establishment in Palestine of a National Home for the Jewish People, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish Communities in Palestine or the rights and political status enjoyed by Jews in any other Country.”

This pronouncement was received with the warmest gratitude and enthusiasm by the mass of the Jewish people throughout the world. After the occupation of Palestine, a Zionist Commission was sent there, with the approval of the Government, to concert measures for carrying into effect the policy of the Declaration.

Meanwhile, however, a section of native opinion in Palestine was becoming disturbed as to the meaning of British policy. Welcoming release from Turkish misgovernment, anxious to accept the benefit of British assistance in securing an efficient administration, it was uneasy as to the implications of the Balfour Declaration. To instal the Jews in Palestine might mean the the expulsion of the Arabs. If there were an unlimited Jewish immigration and finally a Jewish majority in the population, how could the safeguards embodied in the second half of the Declaration be enforced? The ownership by the Arabs of their lands and homes would be imperilled. The Moslem Holy Places, and particularly the Haram-esh-Sherif on Mount Moriah, might be taken from them. Quotations from the speeches and writings of Zionist leaders, which were said to justify these forebodings, were translated into Arabic and circulated by the press among the people. An organization was formed, with branches in many parts of the country, to combat the application of the Zionist policy. Individuals or groups, in Palestine or elsewhere, who had some interest in causing embarrassment to the Administration, stimulated the agitation. The wildest stories as to the intentions of the Jews and the fate awaiting the Arabs were circulated in the towns and villages, and were often believed by a credulous people. Among a section of the Arabs, who had all previously lived on excellent terms with the Jewish population, a bitter feeling was evoked against the Jews. It was fostered and developed until it culminated in a serious outbreak in the streets of Jerusalem in April, 1920, when a number of Jews were killed and wounded and Jewish shops were looted.

Many men of education and enlightenment among the Arabs took no part, however, in this antagonism. They recognised that the fears that had been expressed were illusory. They

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realised that Jewish co-operation was the best means, perhaps the only means, of promoting the prosperity of Palestine, a prosperity from which the Arabs could not fail to benefit. They desired the maintenance of peace and order, and they had confidence that the British Government would permit no injustice, even if injustice were intended. And among the mass of the population there were large numbers who, taking no interest in politics, thinking only of the needs of daily life, made no response to the agitation that sought to arouse their fears and inflame their passions.

Such was the economic condition of the country, and such was the political atmosphere, when on July 1st, 1920, by order of His Majesty's Government a Civil Administration was established in Palestine.

II.—POLICY OF THE ADMINISTRATION.

In a later section of this Report I will furnish a summary of the specific measures that have been adopted in the various Departments of Government. It will be convenient first to continue and complete this survey of the general political situation.

Zionism takes many forms, and its individual adherents, like the adherents of any other political creed, hold various views as to its proper aims. There are those among them who sometimes forget or ignore the present inhabitants of Palestine. Inspired by the greatness of their ideal, feeling behind them the pressure of two thousand years of Jewish history, intent upon the practical measures that are requisite to carry their purpose into effect, they learn with surprise, and often with incredulity, that there are half-a-million people in Palestine, many of whom hold, and hold strongly, very different views. Some among this school of Zionists, when they realise that there is opposition, would wish to ride over it rough-shod, and are ready to condemn any other policy as a surrender by weakness to violence. At the other end of the scale there are Zionists who believe that the establishment of a further number of Jewish agricultural colonies, with some industrial enterprises, and perhaps a University, is all that can, or should, be done. Between these two views there is every gradation.

The policy of His Majesty's Government contemplates the satisfaction of the legitimate aspirations of the Jewish race throughout the world in relation to Palestine, combined with a full protection of the rights of the existing population. For my own part, I am convinced that the means can be found to effect this combination. The Zionism that is practicable is the Zionism that fulfils this essential condition.

It is the clear duty of the Mandatory Power to promote the well-being of the Arab population, in the same way as a British Administration would regard it as its duty to promote the welfare

of the local population in any part of our Empire. The measures to foster the well-being of the Arabs should be precisely those which we should adopt in Palestine if there were no Zionist question and if there had been no Balfour Declaration. There is in this policy nothing incompatible with reasonable Zionist aspirations. On the contrary, if the growth of Jewish influence were accompanied by Arab degradation, or even by a neglect to promote Arab advancement, it would fail in one of its essential purposes. The grievance of the Arab would be a discredit to the Jew, and in the result the moral influence of Zionism would be gravely impaired.

Simultaneously, there must be satisfaction of that sentiment regarding Palestine—a worthy and ennobling sentiment—which, in increasing degree, animates the Jewries of the world. The aspirations of these fourteen millions of people also have a right to be considered. They ask for the opportunity to establish a “home” in the land which was the political, and has always been the religious, centre of their race. They ask that this home should possess national characteristics—in language and customs, in intellectual interests, in religious and political institutions.

This is not to say that Jewish immigration is to involve Arab emigration, that the greater prosperity of the country, through the development of Jewish enterprises, is to be at the expense, and not to the benefit of the Arabs, that the use of Hebrew is to imply the disappearance of Arabic, that the establishment of elected Councils in the Jewish Community for the control of its affairs is to be followed by the subjection of the Arabs to the rule of those Councils. In a word, the degree to which Jewish national aspirations can be fulfilled in Palestine is conditioned by the rights of the present inhabitants.

These have been the principles which have guided the policy of the Administration. The year under review has not been, however, a period favourable to their application. The long delay in the formal settlement of the international status of Palestine has tended to disturb the minds of the people. Even more serious has been the consequence that it has not been possible to issue a Government loan. Without a loan, many public works that would be directly or indirectly remunerative, cannot be executed. The financial conditions of Eastern and Central Europe, and internal difficulties within the Zionist Organisation in the United States, have prevented the Zionist Movement from providing as yet any large sums for enterprises of development or colonization—although, indeed, several land purchases have been completed and many preparations made for the future. As a consequence, while there has been much pressure to admit Jewish immigrants there has been comparatively little expansion in the opportunities for employment. Between September, 1920, and May, 1921, about 10,000 immigrants arrived.

In conformity with one of the articles in the draft Mandate for Palestine, the Hebrew language has been recognized, with English and Arabic, as one of the official languages of the country. It is employed in all the notices and publications of the Central Government, and for local purposes in those districts where the Jews form a considerable element in the population.

The agitation, to which reference has been made, against what was thought to be the policy to be adopted in relation to the Jews, was revived during last winter and spring. In the atmosphere that prevailed an outbreak might take place at any time. On May 1st there was a riot at Jaffa. Disturbances continued during the following days. Attacks were made from Arab villages upon the Jewish colonies of Petah Tikvah and Chederah. Troops were employed and suppressed the disturbances, and the attacks on the colonies were dispersed with considerable loss to the attackers. Martial law was proclaimed over the area affected, but much excitement prevailed for several days in Jaffa and the neighbouring districts, and for some weeks there was considerable unrest. 88 persons were killed and 238 injured, most of them slightly, in these disturbances, and there was much looting and destruction of property. There were no casualties among the troops. A number of persons were prosecuted for offences committed, and special Civil and Military Courts were established for their trial. The sentences inflicted included one of 13 years penal servitude; two of 10 years, one of 5 years, and 42 of less severity.

A Commission of Enquiry was appointed, under the Chairmanship of the Chief Justice of Palestine, Sir Thomas Haycraft, to investigate the causes of the riots and the circumstances that attended them. The Commission has taken much evidence and has completed its inquiry, but it has not yet presented its report at the time this is written. I refrain, therefore, from further description of the Jaffa disturbances, or from comment upon these unhappy events.

At an assembly of Notables held in Jerusalem on June 3rd, on the occasion of His Majesty's Birthday, I made a statement of the policy of the Government in relation to the Jewish National Home, following the lines indicated in the preceding paragraphs.

A delegation of eight members, appointed by a Conference representing a considerable body of Moslem and Christian opinion, has proceeded to England in the month of July to lay their views upon the political situation before the authorities.

III.—FORM OF GOVERNMENT.

The administration of the country, entrusted to the High Commissioner, is conducted through a staff, the heads of which, both in the central Departments and in the Districts, are British. A new framework of government has had to be constructed; it has been found necessary in certain cases to introduce new laws and

regulations; experienced administrators, familiar with Western methods and impartial in local disputes, have been indispensable. But as the preliminary work is completed, and as Palestinians possessing the necessary qualities can be chosen and trained to administrative work, it is intended to reduce the number of British and to increase the number of Palestinian officials. This process has, indeed, already begun.

In October, 1920, an Advisory Council was constituted. It consists of ten unofficial members nominated by the High Commissioner, of whom four are Moslems, three Christians, and three Jews; and of ten members of the Administration. It meets every month, usually on two consecutive days. Its functions are consultative, but no case has yet arisen in which the Government has been unable to accept the opinion of the majority of the unofficial members. The proceedings are published in the Press.

A list of the Ordinances passed by the Council is given in Appendix I. It is the policy of the Administration to continue, whenever possible, to apply the Turkish Laws, to which the people are accustomed. Changes are made only where they are indispensable. Efficiency is essential to good government, but there is a point where efficiency may become harassing. The danger of passing that point is foreseen. *Ne pas trop gouverner* is a good maxim, particularly in an Eastern country, and above all in the early years of a new régime.

It was stated at the inauguration of the Advisory Council that its establishment was no more than a first step in the development of self-governing institutions. The success that has attended its work justifies an early extension. On June 3rd it was announced that His Majesty's Government were giving the closest attention to the question of ensuring in Palestine a free and authoritative expression of popular opinion. Steps are now being taken to frame a constitution for the country, which will include an elective element, and the leaders of the various sections of the population are being consulted as to its terms.

IV.—FINANCE.

The cost of the Civil Administration of Palestine has been kept within the amount of the local revenue, and no grant-in-aid is received from the British Exchequer. Several taxes, oppressive in their incidence and small in their yield, have been abolished. The Military Administration repealed the Military Exoneration Tax, the Road Tax, the Temettu (a tax upon all professions, arts and crafts) and certain minor fees. The Civil Administration has abolished the Fish Tax of 20 per cent. *ad valorem*, and the local Octroi duties. It has reduced the import duties on building materials and on live stock from 11 per cent. to 3 per cent. In substitution for the octroi, an additional import duty is levied of 1 per cent. on most articles, and of 2 per cent. on some. A more important reform has been the abolition of the tobacco monopoly

established by the Turks and conducted by the Tobacco Régie. The effect has been that the price of tobacco to the consumer has greatly fallen; that the cultivation of tobacco, hitherto prohibited, is about to be begun in several districts; that two factories for the manufacture of cigarettes have already been opened, employing a considerable number of workpeople, and others are in prospect; while, at the same time, the Government is drawing a large new Customs revenue from the importation of tobacco.

The railways of Palestine were taken over from the Military Authorities in October, 1920, and their revenue and expenditure included in those of the Government. The revenue of the Ottoman Public Debt Administration in Palestine was amalgamated with the general revenue of Palestine as from April 1st, 1921. On the other side of the account, Palestine will be charged, under the provisions of the Treaty of Sévres, with an annuity in respect of her share of the Ottoman Pre-War Debt. The amount of that share has not yet been definitely fixed, but it is estimated to be less than £E200,000.

The principal heads of Revenue and Expenditure for the year 1921-22, as presented to the Advisory Council in March last, are given in Appendix III.

V.—DEFENCE AND PUBLIC SECURITY.

The Defence of Palestine is assured by a garrison maintained by the Mandatory Power. The numbers of the garrison have now been reduced to 5,000 combatant troops. The charge thereby imposed upon the British Exchequer is £2,500,000 a year. It therefore appears that the cost of a British garrison with its complement of ancillary troops, officers, artillery, horses and mules, is now at the rate of £1,000 a year for every two fighting men, or a million pounds for every two thousand men.

The Palestine Administration maintains a Police Force with a strength of 1,300 drawn from all sections of the local population. The force is not yet at a satisfactory standard of efficiency, but a training school has been established, and is already achieving good results, and every effort is being made to raise the standard of the force. In addition a new Gendarmerie of 500 men, 300 mounted, of whom 50 on camels, and 200 unmounted, is being organised. This force, while it will form a part of the Palestine Police, will not be employed on ordinary police duties. It will be highly trained under British Officers, will receive better pay than the ordinary police, and will be employed, in bodies of not less than twenty-five men, in the protection of the frontiers against raids from neighbouring territories and in suppressing any internal disturbances that may occur.

A great number of blood feuds among the Bedouins of Palestine have been settled by the intervention of the District Officials. In the Beersheba district alone 134 have been dealt with. The peace and order of the country have thereby been improved.

VI.—RELIGIOUS QUESTIONS.

The most complete liberty of religion prevails in Palestine. The many faiths and sects which find in the Holy Land their origin or their inspiration, are free to maintain their teachers and pastors, and to practise their cults, without let or hindrance. In the controversies that occasionally arise between them, the policy of the Administration has been strictly to maintain the *status quo*. The Treaty of Sèvres provides for the appointment of a Commission on the Holy Places, on which representatives of the principal faiths will find a place. For the decision of that Commission, the settlement of such controversies is reserved.

In certain matters of internal organization, however, action has been taken to assist the communities. A purely Moslem authority is being constituted for the control of the Moslem religious endowments (Wakfs), and for the appointment of judges in the Moslem religious courts. To this authority the Government will transfer the revenues of certain wealthy endowments, which were sequestrated by the Turkish Government eighty years ago.

The Orthodox Patriarchate of Jerusalem has been in recent years the theatre of bitter internal disputes, and the victim of serious financial embarrassments. The intervention of the Government, following upon a laborious enquiry by commission, has ended the disputes and has vindicated the authority of the Patriarch. A Financial Commission is being established, with the sanction of the Patriarch and Synod, to put order into their affairs.

The Jewish Community of Palestine possessed no recognised ecclesiastical organization. On the invitation of the Government, that Community has now established an elective Rabbinical Council, embodying a lay element, under presidency of two joint Chief Rabbis.

VII.—LEGAL DEPARTMENT.

A judicial system has been established by the Military, and developed by the Civil Administration, which dispenses justice with a degree of integrity, impartiality and promptitude hitherto unknown in Palestine. Minor jurisdiction in civil and criminal cases is exercised by Palestinian magistrates. Four District Courts presided over by British judges, who sit with two Palestinian members, try the more serious civil and criminal cases, and hear appeals from the magistrates' judgments. There is a Court of Appeal at Jerusalem with a British Chief Justice and a British Vice-President, which is the Supreme Court and hears appeals from the District Courts.

In cases in which a British or foreign subject is tried for a criminal offence, the Court is constituted with a British magistrate or with a majority of British judges. The prosecution of offences is under the control of a British official, and is carried

out in the District Courts by a Palestinian Public Prosecutor. In the three principal towns, benches of honorary magistrates are being constituted from the notables of the locality for the trial of contraventions.

The Ottoman Law remains as the foundation of the legal system, with such amendments, principally affecting a simplification of the procedure, as have been introduced by Ordinances and Rules of Court issued by the Administration. In the Beersheba District, Tribal Law continues to be administered among the Bedouins by the Sheikhs' Court, from which an appeal lies to a British officer.

VIII.—ARCHÆOLOGY.

The antiquities of Palestine are of profound interest to Biblical students and to archæologists throughout the world. The Administration regards itself as a trustee on their behalf. To encourage excavation and discovery, to prevent the injury or destruction of antiquities and to form national collections of objects that will be of value to the student and of interest to the local inhabitant and to the traveller, these are the purposes which the Administration regards as among its most important duties.

Immediately upon its inception, a Department of Antiquities was formed. It was placed under the scholarly and capable direction of Professor J. Garstang, D.Sc., who also holds the posts of Professor of Archæology in the University of Liverpool, and of Director of the newly founded British School of Archæology in Jerusalem. Palestine is fortunate in being a field of investigation by several archæological bodies established in Jerusalem—French, American, British, Italian and Greek, as well as Jewish. The representatives of these bodies have been constituted into an Advisory Board, under the presidency of the Director of Antiquities, to which all matters of importance, and particularly applications for permits to excavate, are referred. The existence and authority of this Board are a recognition of the international interest of archæological work in Palestine.

An Ordinance has been passed, of a comprehensive character, to protect the antiquities. Permits to excavate sites of interest have been given to several competent authorities—the Palestine Exploration Fund, the *École Archéologique Française de Jérusalem*, the Jewish Archæological Society of Palestine, the *Custodia della Terra Santa* and the University of Philadelphia. A number of buildings and objects of interest have already been brought to light. A Palestine National Museum has been established and 6,000 exhibits have been collected and catalogued. A list of the historical sites in Palestine is in active preparation and partly completed, and a register of every object of antiquarian interest known to exist in the country is in process of formation.

A voluntary organisation, the Pro-Jerusalem Society, has undertaken the care of the town walls and the ancient buildings of a municipal character in Jerusalem, in addition to much excellent work of other kinds for the improvement of the amenities of the city. The Government gives to the Society a grant in respect of this service, together with a subvention, adding pound for pound to the funds it is able to collect from private sources.

IX.—DEPARTMENTAL WORK.

Railways.—All the railways of Palestine have been brought under the control of the Government. In addition, the Palestine Railway Department operates, on behalf of the Army, the Sinai Military Railway between Kantara, on the Suez Canal, and Rafah, on the Egyptian-Palestine frontier. The total length of the entire system is approximately 1,000 kilometres.

Within the limits of the funds available many improvements have been effected during the last twelve months. The main line between Rafah and Haifa, hastily constructed during the campaign, has been strengthened and protected. As a result, the interruptions which were frequent during the rainy season of 1919-20 were absent last winter. The line from Jaffa to Ludd Junction was of narrow gauge, involving the transshipment of all goods carried by railway between the port of Jaffa and other parts of Palestine and Egypt. This railway has now been broadened. Three small branch lines are in course of construction. Stations have been improved and new stations opened. Sleeping cars and dining cars are run on a number of the trains. It has been necessary to raise passenger fares, and with this addition to their income the railways pay their way.

Commerce and Industry.—A Department of Commerce and Industry has been created, which keeps in close touch with the trading classes and uses its best endeavours to promote the economic development of the country. Chambers of Commerce have been formed in all the principal towns of Palestine and have a total membership of nearly a thousand. Conferences of delegates from these Chambers are held quarterly, under the presidency of the High Commissioner, and with the presence of the heads of the Government Departments concerned. At these conferences a great variety of questions of interest are discussed.

There has been a general fall in the prices of commodities, in sympathy with the world movement, but they still remain high in comparison with prices in Egypt and elsewhere.

A table (Appendix IV) shows the value of imports and exports month by month from April 1st, 1919, to June 30th, 1921.

Except that the export of livestock is still prohibited, and except for the usual police regulations dealing with the importation of arms and deleterious drugs, etc., all restrictions upon the import and export trade of Palestine have now been abolished.

Several new industrial enterprises are being established. A revival of house-building is beginning in various parts of the country. Should no unfavourable conditions supervene, there is a prospect of a considerable development of trade in the near future.

The grant of mining concessions and of prospectors' licences is still prohibited by instruction of His Majesty's Government.

Egyptian currency has been made the only legal tender in Palestine, together with the British gold sovereign, at the rate of 97.5 Egyptian piastres to the pound. Other currencies, however, are not prohibited from circulating at whatever price they may obtain in the market. It had been found necessary to forbid the export of gold by an Order made by the Military Administration. This prohibition has been rescinded, with some advantage to trade and with no counterbalancing disadvantages.

Agriculture.—A Department was formed in the last months of the Military Administration for the assistance of agriculture, which is, and must long remain, the principal industry of Palestine. The Department has shown much activity. A small technical staff has been engaged. Agricultural assistants have been posted in all districts and instructed to tour the villages continually. Plant diseases and insect pests are notified immediately and steps taken to prevent their spread. Complete preparations have been made to combat a plague of locusts, should such occur.

A field staff of veterinary surgeons reports and deals at once with contagious livestock disease. Animals imported from abroad are subjected to quarantine. Veterinary hospitals have been established.

A Fisheries Service has been established to deal with scientific investigations and practical measures for improvement of the fishing industry.

The Agricultural Department has established five meteorological stations in conjunction with the Physical Department of the Egyptian Government.

An Ordinance has been enacted for the protection of forests. Forest areas are being demarcated and a staff of forest rangers and guards has been appointed. The destructive felling of the few remaining trees in the country has been stopped; forest nurseries have been established, and some hundreds of thousands of trees have been planted by the Government or by private landowners. Such are the first beginnings of a process which should add largely to the productiveness of Palestine, increase its rainfall and bring fresh charm to its scenery.

Agricultural shows, the first ever held in the country, were organised at Haifa, Jaffa and Nablus. They attracted much interest and are likely to prove a useful stimulus to the industry. A museum to illustrate all matters of agricultural interest has been created.

The measures that have been taken, and particularly the provision of £E.370,000 in loans to agriculturists, have assisted the revival of the country. Large additional areas have been cultivated this year and the head of stock show a remarkable recuperation. The good prices obtained for oranges have been a great encouragement to the cultivators.

The agricultural development of the country—and indeed its urban development also—are greatly hampered by the condition of confusion into which the titles of ownership of land were allowed to fall during the Turkish régime. There is here a tangle which will need years of patient effort to unravel. Land Settlement Courts have been established and are now commencing their work. A Survey Department has been created; assistant surveyors are being trained; preliminary measures are being taken for carrying out a cadastral survey of the whole country. A Land Ordinance has been enacted, which includes provisions designed to prevent land being purchased by speculators and held back from productive use. The Ordinance includes important clauses also for the protection of existing tenants when areas of land are sold for colonisation. The Administration seeks to promote the closer settlement of the country, but at the same time to secure the present cultivators from the danger of eviction and loss of livelihood.

A Land Commission, consisting of a British official and representatives of the Moslem and the Jewish communities, examines, with these objects in view, all proposals dealing with the use of State lands or the colonisation of private lands.

The Land Registries, which had been closed during the Military Administration, were re-opened in October for transactions. The figures of transactions registered during the nine months show a total of over 2,000. The number and value of land transactions show a steady increase in recent months.

Education.—There is evidence throughout Palestine of an active desire for opportunities for education. The majority of the Moslems are illiterate, and to provide a number of schools sufficient for their requirements is a task of some magnitude. The Administration has adopted a scheme under which the people of any town or village where a school is needed, are invited to provide a suitable building and to keep it in repair; the Government defrays, out of general taxation, the salaries of the teachers and the other costs of maintenance. Under this scheme new schools are being opened at an average rate of more than one a week. It is intended to continue this process until the whole country is covered. A period of four years will probably be necessary.

To assist in the staffing of these schools, the two Government Training Colleges, one for men and one for women, have been considerably enlarged, and give instruction to 75 and 40 students respectively.

Peripatetic teachers, paid by the Government, have been appointed to work among the Bedouin tribes of the Beersheba District. In addition to their duties as schoolmasters, they instruct the adults of the tribes in Moslem religious law.

Fortunately a number of voluntary schools, maintained for the most part by organisations outside Palestine, assist in providing for the needs of the population. A system of State grants to these schools, accompanied by Government inspection, has been inaugurated. The financial position only permits, however, the distribution of a very modest sum.

Law classes have been established in Jerusalem, which will enable young Palestinians to qualify as advocates in the local courts. A number of junior officials in the Government Service also join in the attendance at these classes, which comprise about 140 students. The instruction is given by the principal officials of the Legal Department.

Public Health.—Both the Military and the Civil Administrations have paid the closest attention to measures for safeguarding the health of the population. The Department of Public Health has a fully organised central and local establishment. The sanitation of the towns is efficiently supervised. A quarantine service is maintained. Before the British occupation there were no Government hospitals or dispensaries for the civilian population; at the present time the Government maintains 15 hospitals, 21 dispensaries, 8 clinics and 5 epidemic posts. In addition, a great deal of hospital work and some sanitary work is admirably carried out in Jerusalem and certain other towns by Zionist or by religious organisations.

Progress is being made in combating the two maladies that are most prevalent in Palestine—malaria and eye-disease. An expert Commission is engaged in elaborating definite plans for the drainage of swamps, and for other measures for the extirpation of malaria. The oiling, and in some cases the closing, of wells and cisterns is being constantly effected in the towns and villages; a total of over 50,000 have been registered and are regularly being dealt with. Villages suffering from malaria are visited fortnightly by Anti-malarial Sub-Inspectors and free quinine is provided. During the autumn of 1920 six to seven thousand villagers were so treated every month.

The schools are medically inspected. Special measures are taken for the treatment of trachoma, by which no fewer than 60% to 95%, according to locality, of the school children of Palestine are affected. A Travelling Ophthalmic Hospital treats numbers of sufferers from eye-diseases, both adults and children.

With the exception of these maladies, the health of Palestine has been remarkably good and epidemic diseases have been kept well under control.

Public Works.—It is in the Department of Public Works that lack of capital sums available for expenditure has been chiefly felt. Certain main roads have been reconstructed or are now in process of reconstruction. A number of Government buildings have been put into good repair. The jetty at Haifa, which serves for the loading and unloading of goods in the absence of a harbour, has been considerably extended. A few minor works have been carried out. For the rest, the many improvements which the country needs, and which would tend to increase its prosperity and its revenue, have had to be postponed until the Mandate is promulgated and a loan can be issued. Meantime the organisation of the Department of Public Works is being placed on a satisfactory footing, to be in readiness for any larger tasks which the future may bring.

The Stores Department has been reorganised in an efficient manner.

Post Office.—The Post Office, which also administers the telegraphs and telephones, shows a steady increase in efficiency. Several new post offices have been opened; the postal service has been improved; a number of the more important telegraph and telephone routes have been rebuilt or strengthened; a telephone system is in its infancy, but already has 700 subscribers and 22 public call offices. The finances of the Post Office show a small credit balance.

Immigration and Travel.—Since the ports of Palestine were opened to immigration, with certain restrictions, in August, 1920, slightly over 10,000 immigrants have arrived in the country. These were almost all Jewish; only 315 non-Jewish immigrants were registered. Of the Jews, 8084 came under the auspices of the Zionist Organisation and 1815 came independently.

During the disturbances in Jaffa and the neighbourhood early in May this year, all immigration was suspended for the time being. But in any event it was becoming increasingly evident that the flow of immigrants was greater than the country was able to absorb. The postponement of works of development, due to the causes specified earlier in this Report, restricted the openings for employment far more narrowly than had been anticipated. New regulations were consequently drawn up.

To obtain a visa to enter Palestine a person must now be able to show that he belongs to one or other of the following categories:—

- (1) Persons of independent means who intend to take up permanent residence in Palestine.
- (2) Members of professions who intend to follow their calling.

- (3) Wives, children and other persons wholly dependent on residents in Palestine.
- (4) Persons who have a definite prospect of employment with specified employers or enterprises.
- (5) Persons of religious occupation, including the class of Jews who have come to Palestine in recent years from religious motives and who can show that they have means of maintenance here.
- (6) Travellers who do not propose to remain in Palestine longer than three months.
- (7) Returning residents.

In the month of July the ports have again been opened and persons belonging to those classes have been arriving. There have been admitted also some hundreds of immigrants not falling within them, but who had obtained visas for Palestine before the suspension of immigration in May, had left their homes and would suffer serious hardship if they were not allowed to proceed.

Partly among the immigrants and partly among the pre-war residents of Palestine, a small group of Communists was formed. This group sought to become an agency of Bolshevist propaganda. It aroused against itself an almost universal hostility and attracted an attention quite out of proportion to its numbers. As many as possible of this group have been identified: 15 who are aliens have been deported from the country, and eight who had acquired Ottoman nationality, together with five aliens, have been bound over to be of good behaviour.

Measures are being adopted to encourage the tourist traffic; the results will, however, only gradually become apparent.

Statistics.—A professional statistician was invited to Palestine for a period of six months and has been engaged in placing the statistics of the various departments of the Administration on a sound basis.

Municipalities.—The Municipal Councils, which before the war were elective, though on a very restricted franchise, have since the occupation been nominated. Steps are now being taken to re-establish the elective principle.

A Commission, composed of officers of the Government and of the mayors and leading councillors of the towns, has made an exhaustive enquiry into the existing sources of municipal revenue and methods of collection. It discovered many matters needing reform and recommended a number of changes: these are gradually being put into effect.

An Ordinance permits the establishment of elective councils in small towns, in large villages, or in suburbs of a distinct character within a municipality for the local government of which no special provision has been made by the Ottoman Law.

A Town Planning Ordinance has been enacted in order to prevent the continuance of the chaotic methods of building new

streets and quarters which had hitherto prevailed in Palestine. Plans have been prepared for Jerusalem and Haifa, and are in process of preparation for other towns.

With a view to preserving the charm and preventing the vulgarisation of the country, the placarding of advertisements has been prohibited throughout Palestine, except, in towns, in places allotted for the purpose by municipalities, in the railway stations and on business premises for the purposes of the business conducted there.

Jerusalem before the occupation had been wholly dependent for water upon rain-water stored in cisterns. The Army brought a new supply by pipe, but this supply has already been found insufficient. The Government is bringing into use some ancient reservoirs of vast capacity, named the Pools of Solomon, but of unknown date, possibly Herodian, situated eight miles away. By their employment it will be possible to furnish the city with an abundant supply of pure water at moderate cost.

The Pro-Jerusalem Society organised an admirable exhibition of local arts and crafts, which revealed the presence in Palestine of a number of artists and craftsmen of marked talent. There is reason to hope that Palestine may gradually become a centre of artistic production, rivalling perhaps in time the famous emporiums of the East of past generations.

X.—TRANS-JORDANIA.

Included in the area of the Palestine Mandate is the territory of Trans-Jordania. It is bounded on the north by the frontier of Syria, placed under the mandate of France; on the south by the kingdom of the Hejaz; and on the west by the line of the Jordan and the Dead Sea; while on the east it stretches into the desert and ends—the boundary is not yet defined—where Mesopotamia begins. Trans-Jordania has a population of probably 350,000 people. It contains a few small towns and large areas of fertile land, producing excellent wheat and barley. The people are partly settled townsmen and agriculturists, partly wandering Bedouin; the latter, however, cultivate areas, more or less fixed, during certain seasons of the year.

When Palestine west of the Jordan was occupied by the British Army and placed under a British military administration, over Trans-Jordania and a large part of Syria there was established an Arab administration, with its capital at Damascus. The ruler was His Highness the Emir Feisal, the third son of H.M. King Hussein, the King of the Hejaz. When Damascus was occupied by French troops in July, 1920, and the Emir Feisal withdrew, it was necessary to adopt fresh measures in Trans-Jordania. I proceeded to the central town of Salt on August 20th, and, at an assembly of notables and sheikhs of the

district, announced that His Majesty's Government favoured the establishment of a system of local self-government, assisted by a small number of British officers as advisers.

Local councils were accordingly formed in the various districts, the people not being ready to unite in any form of combined government for Trans-Jordania as a whole. Five British officers were appointed to assist the councils and their officials and to aid in organising a gendarmerie. No British troops were stationed in the district.

It cannot be claimed that the system of administration so set up was satisfactory. The authority of the councils was flouted by large sections of the population; taxes were collected with difficulty; the funds at the disposal of the local authorities were insufficient to ensure the maintenance of order, still less to defray the cost of roads, schools, hospitals, or other improvements for the benefit of the people.

Some progress was beginning, however, to be made when, in the month of November, H.H. the Emir Abdallah, the second son of King Hussein, arrived from the Hejaz at Ma'an, to the south of Trans-Jordania. His purpose was declared to be to restore a Shereefian government in Damascus. His arrival caused much disturbance in the minds of the people of Trans-Jordania and further impaired the authority, already slight, of the local authorities. From Ma'an the Emir proceeded on March 2nd to Amman, a town on the Hejaz Railway to the east of Salt, and there established his headquarters.

The Secretary of State for the Colonies being in Palestine in the month of March, a Conference was held with the Emir, who came to Jerusalem for the purpose. An arrangement was reached by which the Emir undertook to carry on the administration of Trans-Jordania, under the general direction of the High Commissioner of Palestine, as representing the Mandatory Power, and with the assistance of a small number of British officers, for a period of six months pending a definite settlement. Order and public security were to be maintained and there were to be no attacks against Syria. Since that time a close connection has continued between Palestine and Trans-Jordania. British representatives remain in the principal centres.

I paid a visit to Amman on April 18th as the guest of the Emir and explained in an address to the sheikhs and notables the arrangement that had been made. The Emir came to Palestine again in the month of May. The political and technical officers of the Palestine Administration have made frequent visits to Trans-Jordania and have assisted the local officials with their advice. The difficulties of local finance have continued. Order and security are still lacking. A grant-in-aid of £180,000 was, however, voted by Parliament in July for the assistance of Trans-Jordania, and it is hoped that this assistance will enable an effective reserve force of gendarmerie to be established, revenue

to be collected and the government of the district to be placed on a sounder footing. The district possesses great agricultural wealth, and the local revenue, if it were collected, would fully meet the local expenditure.

The political and economic connection between Palestine and Trans-Jordania is very close. Trade is active; communications are constant; disturbance in the one area cannot fail to be of detriment to the other; the prevention of raids from east of the Jordan and the preservation of order there are of no small importance to the population on the west. Syria, too, has a close interest in the security of her southern border. If Trans-Jordania became a prey to anarchy, not only her own inhabitants, but also the neighbouring territories, would be sufferers. All of them look to the Mandatory Power to prevent an eventuality which, in default of her influence and authority, might prove not remote.

CONCLUSION.

I cannot end this Report without expressing my very sincere thanks to the members of my staff for the work of an arduous year.

British and Palestinian, at headquarters and in the districts, in the administrative departments, in the judiciary, in the technical services, in the police—the officials of the Government have displayed a high degree of loyalty and zeal. Individual exceptions there have been, no doubt. In so new a service a uniformly satisfactory standard is not to be expected. But during a time of activity and change, under conditions often of difficulty and sometimes of strain, the staff as a whole have shown a sense of duty, an industry and a loyalty that redound both to their own credit and to the country's advantage.

The British military authorities have rendered ready assistance whenever it was desired. Whether at General Headquarters at Cairo, or at the Divisional Headquarters in Palestine, or at the local stations, the Commanding Officers have constantly maintained a close and friendly co-operation with the Administration. They have dealt promptly and efficiently with all matters of joint concern. To them also I would convey my cordial thanks.

HERBERT SAMUEL,

*High Commissioner
and Commander-in-Chief.*

30th July, 1921.

APPENDIX I.

ORDINANCES ENACTED BEFORE THE INAUGURATION OF THE ADVISORY COUNCIL.

Advertisement Ordinance ...	July, 1920.—Restricting the display of advertisements.
Immigration Ordinance ...	Aug., 1920.—Regulating the entry into Palestine of immigrants and travellers.
State Flags Ordinance ...	Aug., 1920.—Preventing the use, in partisan demonstrations, of State Flags.
Copyright Ordinance ...	Aug., 1920.—Modifying the Ottoman Copyright Law for the greater protection of authors of literary and artistic productions.
Mortgage Law Amendment Ordinance.	Aug., 1920.—Amending the Ottoman Law respecting the mortgage of immovable property.
Land Transfer Ordinance...	Sept., 1920.—Providing for control by Government of Land Transactions.
Correction of Land Registers Ordinance.	Sept., 1920.—Enabling corrections to be made in the Register where land was registered in the name of a nominee.
Protection of Fisheries Ordinance.	Sept., 1920.—Making it an offence to use explosives in fishing.
Credit Banks Ordinance ...	Sept., 1920.—Providing facilities for the establishment of mortgage banks.
Acquisition of Land for the Army Ordinance.	Sept., 1920.—Allowing expropriation on equitable terms of land required by the British Army.
Antiquities Ordinance ...	Oct., 1920.—Providing for the protection of antiquities and regulating dealings in them.
Forestry Ordinance ...	Oct., 1920.—Providing for the protection of Forests.
Mahloul Land Ordinance ...	Oct., 1920.—Requiring notification of land escheated to the State under the Turkish Law.
Co-operative Societies Ordinance.	Oct., 1920.—Providing for the constitution and registration of Co-operative Societies.
Animals Export and Import Ordinance.	Oct., 1920.—Providing for quarantine and veterinary control of animals imported and exported.

ORDINANCES ENACTED AFTER THE INAUGURATION OF THE ADVISORY COUNCIL.

Town-Planning Ordinance	Nov., 1920.—Ensuring the development of towns on approved lines through the medium of Central and Local Commissions.
Pharmacy Ordinance ...	Dec., 1920.—Safeguarding the public against the sale of drugs by unqualified persons.
Police Ordinance ...	Dec., 1920.—Dealing with the organisation, powers, and discipline of the Palestine Police Force.
Prevention of Crime Ordinance.	Dec., 1920.—Enabling measures to be taken against persons contemplating breaches of the peace by requiring guarantees of good behaviour.
Port Dues Ordinance ...	Jan., 1921.—Regulating the dues payable on incoming and outgoing shipping.

Commissions of Enquiry Ordinance.	Jan., 1921.—Legalising the appointment of Commissions to investigate specific matters and conferring powers for obtaining evidence.
Mewat Lands Ordinance ...	Jan., 1921.—Requiring cultivators of Government waste lands to regularise their titles by application, and providing that in future no title by cultivation is obtainable without prior application.
Prisons Ordinance ...	March, 1921.—Regulating the establishment, management and discipline of prisons.
Municipal Magistrates Ordinance.	March, 1921.—Providing for the constitution of a bench of honorary magistrates in certain municipal areas, with power to try petty offences.
Amendments to Land Transfer Ordinance.	March, 1921.—Removing the absolute restriction on sale of immovable property in satisfaction of mortgages or judgment debts.
Foreign Imports Additional Duty Ordinance.	March, 1921.—Replacing local Octroi and Kantar dues by an additional duty on imports.
Incitement against Friendly Powers Ordinance.	March, 1921.—Making it an offence to incite, inside Palestine, to rebellion or other hostility against friendly Powers.
Tobacco Taxation Ordinance	April, 1921.—Prescribing the dues payable, after abolition of the Régie Monopoly, on home-grown or imported tobacco and snuff.
Local Councils Ordinance ...	April, 1921.—Enabling Local Councils to be established in large villages and other areas and defining their powers.
Appropriation Ordinance ...	April, 1921.—Authorising the appropriation of the revenue of Palestine for the financial year 1921-1922.
Land Courts Ordinance ...	April, 1921.—Creating Courts for the settlement of disputes as to land titles.
Surveyors Ordinance ...	May, 1921.—Requiring Surveyors to obtain a licence on satisfying the authorities of their professional qualification.
Increase of Rents Ordinance	June, 1921.—Prescribing conditions for continuance of expiring tenancies and limiting increase of rents.
Dissemination of False News Ordinance.	June, 1921.—Making it an offence to spread false reports likely to cause disorder.
Orthodox Patriarchate Ordinance.	June, 1921.—Providing for the appointment of a Commission to liquidate the debts of the Patriarchate and for the recognition of the reconstituted Synod.
Companies Ordinance ...	June, 1921.—Providing for the incorporation and registration of all Companies; foreign or other, carrying on business in Palestine.
Road Transport Ordinance	June, 1921.—Providing for the registration and licensing of motor and other forms of Road Transport.
Notaries Public Ordinance	June, 1921.—Authorising barristers and solicitors of the United Kingdom to perform in Palestine duties recognised by British Law to be undertaken by Notaries Public or Consuls.

APPENDIX II.

GOVERNMENT OF PALESTINE.

Religions of Classified Officials by Districts and Departments.

Governorate or Department.	Senior Service.					Junior Service.				
	British.		Palestinians.			British.		Palestinians.		
	Chr.	Jews.	Chr.	Jews.	Mos.	Chr.	Jews.	Chr.	Jews.	Mos.
Beersheba Governorate ...	2	—	—	—	—	—	—	3	2	2
Galilee Governorate ...	5	—	3	1	—	3	—	15	4	1
Gaza Governorate ...	2	—	2	—	—	—	—	4	2	3
Jaffa Governorate ...	4	—	2	1	1	1	—	12	6	2
Jerusalem Governorate ...	6	1	3	1	2	2	—	21	7	—
Phoenicia Governorate ...	4	—	2	2	2	1	—	13	2	—
Samaria Governorate ...	4	—	1	—	1	1	—	8	—	4
Central Administration ...	2	1	—	—	—	3	1	—	—	1
Secretariat ...	7	1	—	—	—	12	4	10	9	4
Financial Secretary ...	2	—	1	—	—	2	—	3	—	—
Law and Justice ...	9	2	5	9	39	1	—	20	33	119
Agriculture and Fisheries ...	6	—	—	5	5	4	1	17	20	9
Antiquities ...	2	—	—	2	1	3	—	—	—	—
Commerce and Industry ...	1	1	—	—	—	1	—	4	1	1
Customs ...	1	—	7	—	—	—	—	58	19	22
Education ...	3	—	3	—	1	1	—	6	2	8
Immigration and Travel ...	3	3	—	—	—	1	—	10	17	3
Land Commission ...	2	—	—	1	—	—	—	2	3	3
Land Registries ...	1	—	2	—	—	—	—	10	18	31
Ports and Lights ...	3	—	—	—	—	1	—	4	3	1
Posts and Telegraphs ...	12	—	—	—	—	—	—	156	144	56
Public Custodian ...	—	1	—	—	—	—	—	—	—	—
Public Health ...	16	—	37	6	6	12	1	115	28	37
Public Security ...	20	1	5	1	2	5	—	31	18	7
Public Works ...	11	1	—	4	1	4	3	12	39	1
Revenue ...	2	—	7	—	2	—	—	58	6	97
Palestine Railways ...	21	—	2	2	—	—	—	331	126	104
Stores ...	1	1	—	—	—	5	1	6	18	5
Surveys ...	2	—	—	—	—	—	—	1	—	—
Treasury ...	11	1	—	1	—	13	3	37	26	—
Total ...	165	14	82	36	63	76	13	967	553	521

APPENDIX III.

PALESTINE ESTIMATES, 1921-1922.

REVENUE.

Abstract of the Estimated Revenue for the year 1921-1922.

Heads of Revenue.								Estimate for 1921-1922. £E.
1. Customs.								
Import Dues	...	...	...	...	...	...	...	383,613
Export Dues	...	...	...	...	...	...	...	8,780
Customs Store Rent	...	...	...	...	...	...	...	7,000
Fines and Forfeitures (under Customs Ordinance)	...	...	...	...	...	...	...	650
Tobacco	...	...	...	...	...	...	...	50,000
Miscellaneous	...	...	...	...	...	...	...	8,900
2. Port, Harbour, Wharfage, Lighthouse and Quarantine Dues.								
Port, Health, and Light Dues	}		...	...	...	...	...	14,400
Harbour and Wharfage Dues			...	...	...	...	...	
Quarantine Dues and Health Certificates	...	...	...	...	...	...	...	2,500
3. Licences, Excise and Internal Revenues.								
Tithes:								
(i) Ordinary	...	...	...	...	...	...	...	217,700
(ii) Districts Assigned	...	...	...	...	...	...	...	179,200
(iii) Educational Wakfs	...	...	...	...	...	...	...	320
Tobacco Tax	...	...	...	...	...	...	...	122,000
House and Land Tax	...	...	...	...	...	...	...	35,000
Animal Tax	...	...	...	...	...	...	...	2,505
Licences	...	...	...	...	...	...	...	23,000
Sales of Salt	...	...	...	...	...	...	...	13,000
Wine and Alcohol	...	...	...	...	...	...	...	23,500
Stamp Duty (Various Revenue Services)	...	...	...	...	...	...	...	1,000
Miscellaneous	...	...	...	...	...	...	...	...
4. Reimbursements, Payments for Specific Services and Fees of Court.								
Stamp Duty	}		...	...	...	...	...	38,000
Court Fees			...	...	...	...	...	
Fines and Forfeitures	...	...	...	...	...	...	...	25,000
Registration of Companies	...	...	...	...	...	...	...	6,550
Land Registry Fees	...	...	...	...	...	...	...	30,145
Hospital Fees	...	...	...	...	...	...	...	5,000
School Fees	...	...	...	...	...	...	...	600
Registration of Immigrants (Fees)	...	...	...	...	...	...	...	8,000
Passports Fees	...	...	...	...	...	...	...	11,500
Landing Charges (Immigration and Travel)	...	...	...	...	...	...	...	12,150
Gaol Labour	...	...	...	...	...	...	...	7,800
Prison Industries	...	...	...	...	...	...	...	1,000
Miscellaneous	...	...	...	...	...	...	...	3,000

PALESTINE ESTIMATES, 1921-1922—*continued.*REVENUE—*continued.**Abstract of the Estimated Revenue for the year 1921-1922.*

Heads of Revenue.							Estimate for 1921-1922. £E.
5. Posts and Telegraphs.							
Under International Agreements	...	...	...	...	...	...	33,180
Sale of Stamps	...	...	...	...	...	...	43,000
Poundage and Commission on Money Remittance	...	...	...	...	...	...	700
Telegrams	...	...	...	...	...	...	38,500
Telephones	...	...	...	...	...	...	10,324
Maintenance of Railway Telegraphs and Signals	...	...	...	...	...	...	12,580
Rent of Hire to Army	...	...	...	...	...	...	1,300
Miscellaneous	...	...	...	...	...	...	2,750
6. Railways.							
Coaching	...	...	...	...	...	...	300,000
Goods	...	...	...	...	...	...	460,000
Miscellaneous	...	...	...	...	...	...	10,000
7. Agricultural Department							5,000
8. Rents of Government Property.							
State Domains	...	...	...	...	...	...	28,500
Educational Wakf (lapsed)	...	...	...	...	...	...	4,800
Wharves	...	...	...	...	...	...	—
Rents from Officials	...	...	...	...	...	...	7,500
Miscellaneous	...	...	...	...	...	...	500
9. Miscellaneous.							
Sale of Stores, etc.	...	...	...	...	...	...	5,000
10. Royalties and Concessions							2,000
11. Interest.							
Banks and Agent's Balances	...	...	...	...	...	...	5,000
Investments	...	...	...	...	...	...	—
Loans and Advances	...	...	...	...	...	...	1,250
Miscellaneous	...	...	...	...	...	...	250
12. Land Sales							100
TOTAL REVENUE							2,214,047

PALESTINE ESTIMATES, 1921-1922—continued.

EXPENDITURE.

Abstract of the Estimated Expenditure for the year 1921-1922.

Heads of Expenditure.								Estimate for 1921-1922. £E.
1	Pensions	...	...	...	...	...	...	18,250
2	Public Debt and Loan Charge	...	...	...	...	...	...	210,000
3	His Excellency the High Commissioner	...	...	...	...	...	...	11,285
4	Civil Secretary	...	...	...	...	...	...	30,875
5	District Administration	...	...	...	...	...	...	73,695
6	Legal Secretary	...	...	...	...	...	...	78,665
7	Land Registry	...	...	...	...	...	...	15,110
8	Survey Department	...	...	...	...	...	...	2,135
9	Land Department and Land Commission	...	...	...	...	...	...	6,993
10	Financial Secretary	...	...	...	...	...	...	4,803
11	Treasury	...	...	...	...	...	...	32,385
12	Controller of Stores Department	...	...	...	...	...	...	10,191
13	Customs and Revenue Department	...	...	...	...	...	...	77,352
14	Department of Commerce and Industry	...	...	...	...	...	...	4,807
15	Ports and Lights Department	...	...	...	...	...	...	11,485
16	Department of Public Health	...	...	...	...	...	...	142,885
17	Education Department	...	...	...	...	...	...	103,000
18	Agriculture and Fisheries Department	...	...	...	...	...	...	49,085
19	Public Security and Prisons	...	...	...	...	...	...	216,642
20	Defence	...	...	...	...	...	...	91,676
21	Posts, Telegraph and Telephones	...	...	...	...	...	...	119,526
22	Railways	...	...	...	...	...	...	745,579
23	Department of Immigration and Travel	...	...	...	...	...	...	21,492
24	Department of Antiquities	...	...	...	...	...	...	6,538
25	Public Works Department	...	...	...	...	...	...	29,698
26	Public Works Annually Recurrent	...	...	...	...	...	...	42,922
27	Public Works Extraordinary	...	...	...	...	...	...	—
28	Miscellaneous	...	...	...	...	...	...	129,059
Total Ordinary Expenditure								2,286,133

Note A.—When the Estimates for 1921-22 were prepared it was anticipated that the transactions for the period July 1st, 1920 (date of commencement of Civil Administration), to March 31st, 1921, would result in a surplus of £E.75,000, which would meet the estimated deficit of £E.72,086 appearing on the Estimates for 1921-22.

Note B.—In addition to the expenditure met from annual revenue, a sum of £E.454,417 has been spent between July 1st, 1920, and March 31st, 1921, on urgent public works, particularly road and railway improvements. This sum has been temporarily drawn from revenues collected in Palestine by the Ottoman Public Debt Administration between the date of the occupation and March, 1921. These revenues, under the provisions of the Treaty of Sèvres, are not assigned to the Ottoman Debt.

APPENDIX IV.

STATEMENT SHOWING TOTAL VALUE OF IMPORTS AND EXPORTS FROM
APRIL 1ST, 1919, TO JUNE 30TH, 1921.

	1919-1920.		1920-1921.		1921-1922.	
	Import Value.	Export Value.	Import Value.	Export Value.	Import Value.	Export Value.
	£E.	£E.	£E.	£E.	£E.	£E.
April	103,923	24,422	418,964	92,914	450,340	105,510
May	566,191	68,072	395,909	40,433	466,040	69,445
June	428,824	37,969	269,473	37,146	412,777	34,146
July	378,238	35,441	473,600	85,353	—	—
August	239,610	48,205	389,082	58,506	—	—
September	244,021	46,073	303,512	42,264	—	—
October	247,554	58,174	449,561	62,779	—	—
November	359,144	72,840	581,030	50,095	—	—
December	378,228	65,538	559,384	67,795	—	—
January	326,264	89,532	334,499	65,516	—	—
February	289,352	102,216	460,307	53,553	—	—
March	629,711	124,961	581,312	109,347	—	—
Total	4,191,060	773,443	5,216,633	771,701	1,329,157	209,101

Note.—The difference between the volume of imports and exports is mainly due to the expenditure of large sums in Palestine from outside sources—remittances from Palestinians in North and South America to their families, expenditure by the British War Office the Zionist Organisation, Missionary Societies, tourists, etc.—and to the importation of capital in the form of machinery for new enterprises, etc.

